

To: Montgomery, Michael[Montgomery.Michael@epa.gov]; Albright, David[Albright.David@epa.gov]
Cc: Habel, Rob@DOC[Rob.Habel@conservation.ca.gov]; Reeves, Bruce@DOC[Bruce.Reeves@conservation.ca.gov]
From: Bohlen, Steven@DOC
Sent: Thur 7/2/2015 10:40:16 PM
Subject: Wells in the Santa Margarita formation, Fruitvale Field
Hathaway LLC Summary 7-2-2015.docx

Mike and David,

We have had several interactions with Hathaway LLC concerning this operator's application for a UIC permit into the Santa Margarita formation in the Fruitvale Field, Kern County. The operator has obtained several documents indicating decisions made by the Water Board and US EPA allowing injection into the Santa Margarita, even though from our analysis, there was no exemption for this aquifer in the State's primacy agreement.

Attached is a summary of what we know based on the documents Hathaway LLC has obtained as well as our own analysis.

Even though the Division's position is that an aquifer exemption would be needed for us to proceed with a UIC permit, the operator feels there is sufficient data to indicate that the aquifer is already exempt. In particular the waste wells permitted by EPA are a key example used by the operator.

The operator implied that it is considering legal action against the Division over its position in this matter.

I am interested in your position on these wells and your assessment of the exemption status of the Santa Margarita in the Fruitvale.

Thanks for your help.

Steve

Steven R. Bohlen

State Oil and Gas Supervisor

801 K Street, MS 18-05

Sacramento, CA 95814-3530

(916) 445-9686 - Office

(916) 319-9533 - Facsimile